

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

Resolution No.: 2008-06

**Resolution Approving Pass-Through Savings Policy for the California Health
Facilities Financing Authority**

May 29, 2008

Authority staff recommends the pass-through policy below be in effect until such time as the Legislature may amend the Authority's statute.

For all health facilities seeking tax-exempt bond financing through the Authority, the health facility under this policy shall satisfy the legislative intent portion of the Authority's statute found at GC 15438.5(a) (concerning pass-through savings) by demonstrating to the Authority's satisfaction that the health facility provides "significant community benefit."

In determining whether a health facility provides a "significant community benefit," the Board shall under this policy give due consideration to the following:

- (1) The economic value of the filing, initial and annual fees paid by the health facilities to the Authority, as part of their tax-exempt bond financing, which are used by the Authority to fund the Authority's programs, including the Authority's HELP II loan program;
- (2) Whether the facility maintains a policy of treating all patients regardless of ability to pay;
- (3) Whether the facility maintains a CMAC contract or otherwise treats Medi-Cal eligible patients;
- (4) Whether the facility establishes and maintains a charity care policy;
- (5) Whether the facility establishes a process to solicit input relating to the needs of the community and whether it takes significant and appropriate steps to address those needs. The board shall consider the resources committed to addressing the community needs.